

RECEIVED
JAN - 7 2010
U.S. BANKRUPTCY COURT
JON

Reference-Bankruptcy case 08 1789 (BRL), claim 002209 and 002519

Date: 1/03/2010

Dear Judge Lefland:

In Feb 2009, I filed a claim with Madoff SIPA Trustee Irving Picard for \$39,279 i/c/w the Madoff fraud. On 12/8/09 Mr. Picard denied my claim on the grounds that I was not a so called customer of BLMIS. I disagree with that determination and request a hearing.

Facts—In April of 2008 I invested \$500,000 of my life saving in an IRA with Tremont Group Holding. The money was invested by Tremont in two fund of funds—the Tremont Market Neutral II Fund (\$250,000) and Tremont Long/Short Fund (\$250,000). As an aside, by Dec.2008, 8 months after I invested, both of these funds lost a total of \$116,744 in Market value due to the Market downturn including the \$39,279 attributed to the Madoff fraud. Apparently, the Market Neutral II Fund (not the Long/Short fund) invested in a Madoff tainted fund called Rye Select Broad Market Fund and as a result of his fraud I lost the \$39,279. Subsequently, I filed the claim with the SIPA Trustee which was denied. Secondly, it is my understanding that SIPA Trustee Picard has requested Tremont Holding NOT to distribute any remaining cash balances in these funds (including the Long/Short fund which had no Madoff exposure) to their rightful owners until so called “clawback” issues are resolved. In my case, the notion of “clawback” is absurd in that these funds lost over 20% of their value in the 8 month period from when I first invested in April, 2008 to Dec 31, 2008. As a result, I have been victimize twice—once by Madoff and secondly by the SIPA Trustee who is preventing Tremont from distributing the remaining cash balances to the rightful owners. The utter irony of this situation is that arguably the well heeled, savvy and connected investors who invested directly with Bernard Madoff (BLMIS) knew fully that they were dealing with Bernard Madoff and the inherent risk involved. On the other hand, unsuspecting investors such as I who invested with the Tremont Fund of Funds (Market Neutral Fund II) had not a clue regarding any Madoff association or potential risk of fraud in these funds. So as this all plays out, savvy Direct investors with Bernard Madoff will receive hundreds of millions of dollars in reimbursement for their losses through SIPA while unsuspecting investors who never heard of Bernard Madoff but never the less were victimized by him receive NOTHING. Secondly the SIPA trustee is further victimizing these unsuspecting investors by withholding from them their rightfully owned cash balances in these funds in order to further compensate those investors who knowingly invested directly with Bernard Madoff. In summary, I believe the determination to deny my claim is grossly unfair, denies me equal protection under the law and rewards direct investors with Bernard Madoff at the expense of unsuspecting investors such as myself.. I request to be heard on this matter...

Sincerely-James J. Trainor Dated-1/3/2010

address-233 South Harrison Ave, Congers, New York 10920

copies to: SIPA Trustee Irving Picard, SIPC, SEC, Honorable Andrew Cuomo Attorney General of New York..

